



**ST. MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES**

**EFFECT OF MOTIVATION ON SALES FORCE
PERFORMANCE:
A CASE OF SELECTED PHARMACEUTICAL IMPORTING
COMPANIES IN ADDIS ABABA**

**BY
SUZANA NASSER
SGS/0312/2007E**

JUNE, 2016

ADDIS ABABA, ETHIOPIA

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**A THESIS SUBMITTED TO ST. MARY'S
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ADDIS ABABA, ETHIOPA**

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SCHOOL OF GRADUTE STUDIES
FACULTY OF BUISNESS**

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Declaration

I, the undersigned, declare that this thesis is my original work, prepared under the guidance of Workeneh Kassa (PhD). All sources of material used for thesis have been duly acknowledged. I further confirm that the thesis has not been submitted either in part or in full to any higher learning institutions for the purpose of earning any degree.

Suzana Nasser

Name

Signature

St. Mary's University, Addis Ababa

June, 2016

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Finally, I would like to give thanks to my respondents of sales team who has given me their valuable time assisted me in the completion of this work in the primary data collection.

Endorsement

This thesis has been submitted to St. Mary's university, school of Graduate studies for Examination with my approval as a university advisor.

Workneh Kassa (PhD)

Advisor

St. Mary's University, Addis Ababa

Signature

June, 2016

Dedication

I dedicate this thesis as an excellent achievement of my educational life to all members of my family, especially to my lovely mom who is always caring.

List of Abbreviations and Acronyms

<i>SPSS</i>	<i>Statistical Package for Social Science</i>
<i>SD</i>	<i>Standard Deviation</i>

Abstract

The sales force is an asset of any organization. Improving performance of sales force through motivation has always been a prime chore among organization and researcher. Sales motivation entirely depends on the quality of management provided by the first-line sales controller. With the help of financial and non-financial incentives one can motivate the sales force for possible enhanced sales performance. So far studies on the effect of motivation on sales performance have not been well addressed. Taking this into account, this study therefore sought to fill the gap by assessing the effect of motivation on sales force performance. The objective of the study was to analyze the impact of motivation on sales force performance by selecting three pharmaceutical companies in Addis Ababa as a case study. And the study purposively focused on employees engaged on sales activities. The researcher was primarily based on primary data collected through a structured questionnaire. To this respect, a total of 114 questionnaires were distributed to employees of selected pharmaceutical importing companies. The study collected data from 86 respondents which constituted response rate of 75.4 % which was adequate for statistical generalization of the study findings. The information was displayed by use of charts and tables. The researcher further employed a multiple linear regression model to analyze the relationship between motivational factors and sales force performance. The results show that allowing sales force employees to participate in decision making and career advancement positively and significantly influence the level of sales force performance of pharmaceutical companies in Addis Ababa. Likewise, work experience is significant and negatively related to sales force performance and in case of gender sales force performance is positively significant when gender is male. However, financial motivators and working environment were positively but not significantly related to sales force performance. The results of the study may suggest that pharmaceutical companies need to give more emphasis on the participation of decision making and career advancement aspects of their sales personnel to enhance performance.

Key Words: Motivation, Sales force, performance, Pharmaceutical industry

List Of Figures

Figure 1:Shows the conceptual framework of the study.....	19
Figure 2: Distributed and Responded Questionnaire	25
Figure 3: Respondent Sex Composition	25
Figure 4: Sales force performance of selected pharmaceutical import companies.....	28

List Of Tables

Table 1: Target Population of the Study	21
Table 2: Sample Frame of the Study.....	22
Table 3: Operational definition of independent and control variables	23
Table 4: Respondent Educational Level and Age.....	26
Table 5: Mean and standard deviation of independent variables.....	29
Table 6: Results of Multiple Regression Analysis.....	29
Table 7: the sales force response level to overall motivational techniques	32

Table Of Content

Declaration.....	I
Acknowledgements.....	II
Endorsement	III
Dedication.....	IV
List of Abbreviations and Acronyms	V
Abstract.....	VI
List Of Figures	VII
List Of Tables	VIII
Table Of Content	IX
CHAPTER ONE:INTRODUCTION.....	1
1.1. Background of the study	1
1.2. Statement of the Problem.....	2
1.3. Objective of the study	4
1.3.1. General objective	4
1.3.2. Specific objective.....	4
1.4. Research question	4
1.5. Scope of the Study	4
1.6. Limitations of the Study.....	4
1.7. Significance of the Study	5
1.8. Organization of the Study	5
CHAPTER TWO: REVIEW OF RELATED LITERATURE.....	7
2.1. Definition and Concept of motivation	7
2.2. Importance of motivating sales force.....	8
2.3. Types of Motivation.....	11
2.4. Motivational Techniques	11
2.4.1. Financial.....	11
2.4.2. Non-financial.....	14
2.5. Sales Force Performance Measurement.....	17
2.6. Effects of Motivation on Sales Force Performance	18
2.7. Conceptual Frame work.....	19
CHAPTER THREE: RESEARCH METHODOLOGY	20
3.1. Introduction.....	20
3.2. Research Design.....	20

3.3.	Population	21
3.4.	Sampling Design	21
3.5.	Sampling Frame	22
3.6.	Sources and tools of data collection.....	22
3.7.	Operationalization of variables	22
3.8.	Method of Data Analysis	24
CHAPTER FOUR: DATA PRESENTATION, ANALYSIS AND INTERPRETATION.....		25
4.1.	Socio-economic Characteristics of Respondents	25
4.2.	Perception Level of Respondents on Motivators	28
4.2.1.	Overall perception level of respondents on sales force performance.....	28
4.2.2.	Respondents' perception level on sale force performance determining factors	28
4.3.	Determinants of Sale Force Performance	29
4.4.	Level of Sales force response towards the overall motivational techniques	32
CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS		33
5.1.	Introduction.....	33
5.2.	Summary of the major finding.....	33
5.3.	Conclusion	34
5.4.	Recommendations for Policy Intervention	35
5.5.	Recommendation for Future Research.....	36
6.	REFERENCES	37
7.	APPENDICES	I
	Appendix: Questionnaire	I

CHAPTER ONE:INTRODUCTION

1.1. Background of the study

In today's time, the market is so competitive that companies have to overcome certain challenges to meet their desired goals. If the company has self-motivated employees, it makes it easier to accomplish the company's goal. Needless to say, self-motivated employees are a great asset to the company although they are very rare to find. This brings about the concept of motivation (Navjot et al., 2014). The use of motivation helps to initiate employees who work for companies to increase their work performance and to undertake their tasks in a much higher quality than they would normally do (Muhammad et al., 2012).

Sales force can get rewarded for completing their task and reaching the desired goals. This means that motivation can provide the driving force that pushes the sales representatives to keep performing in a satisfactory and timely manner (Navjot et al., 2014). This provides companies with the opportunity and tool to devise and implement motivation to their sales force to perform with full potential and succeed in fulfilling the company's goal. Therefore, understanding the different types of motivational ideas is critical for a company and more focus can be given to planning for incentives than just skills training to boost productivity (Vroom, 1995). The concept of motivation is not just a topic of interest for companies; it also has caught the attention of researchers. In a report from healthcare and life sciences, many pharmaceutical companies started paying different salary rates to create a competitive work environment. The plan backfired and instead of competing to earn a higher salary, employees start complaining about why one's salary was higher than the other. This unexpected result gave a glimpse of the need to understand what employees prefer as a motivation before implementing it (Saroj et al., 2014).

Most sales representative are appreciative of being recognized for their work and receive rewards to further motivate them perform at their best (Blem, 2007). The work environment for most sales representatives that work for pharmaceutical companies is that they have irregular work schedules, long hours a day and alone. In addition to working in a very competitive environment, their task involves attracting a potential consumer including doctors which they might feel intimidated by. Most of all, they don't have the final say over an account and that they might not get a sale for large orders that they have put tremendous effort

in (Kotler et al., 2006). The nature of the task for sales representative also varies based on several factors including the job market, the company's sales target in addition to personal attitude and motivation level (Abratt et al., 1999).

The company manager can make changes to the working environment to accommodate the sales force, provide leadership to the team and also reward employees that perform higher (Blem, 2007). Depending on the company's sales target, the amount of motivation that needs to be implemented to achieve this goal can be determined by the management. The way the motivation is implemented should be appropriate for the task accomplished. The motivation can be in a form of financial or non-financial reward (Ubanagu, 2006). The manager can organize a motivational program that not only motivates the person receiving the reward but also other employees and other sales activities to achieve highest performance (Futrell, 2011).

Mixed results have been observed on several literature reports regarding the effect of motivation on the performance of sales force. Some reports indicate that financial (extrinsic) rewards have a positive outcome in the sales performance but non-financial (intrinsic) rewards didn't show any positive outcome. Other reports oppose this finding by stating that non-financial rewards have shown positive outcome but financial rewards didn't show any positive outcome in terms of an increase in sales performance (Chonko et al., 1992).

In this research, the effect of motivation on the performance of the sales force in pharmaceutical companies is analyzed and it projects the most effective and current ways in motivating the sales force for the highest performance.

1.2. Statement of the Problem

Customer satisfaction is an integral part of successful business. To provide a satisfactory customer service, the quality of the product, timely and reliability of the transaction, customer support and a positive customer experience are equally important. The sales force should have the knowledge of what they are up against in the business market. They should be aware of the current trends and about their competitors to effectively use their time and resources. The sales force falls short if they cannot either meet the company's target, provide erroneous information or low quality customer care to consumers. There are several factors that may contribute to such inadequate performance. One of these factors can be as a result of receiving inadequate skills training which can be seen in new employees if they are pushed to substitute

for a gap before they have completed their training. These employees represent the company and the consequence of any mistake falls on the company and it can also harm the self-esteem of the employee. The other factor that can play a role in low quality service or provision of erroneous information is from dishonest employees that are looking to advance themselves financially or beat the system for personal gain. The lack of implementing motivational programs can make employees leave their position. On the flip side, employees may like to hang on to their jobs because they enjoy the promotions their company implements.

The lack of motivation in the sales force manifests in their performance which results in decreased productivity that will negatively affect the company. This will cause high work load on the manager, high expense on the company, causes reduced interest in co-workers and eventually leads to low staff retention rate as employees would want to find a job that makes them feel satisfied (Jobber et al., 1994). Implementing motivations for employees in a business setting is not a new concept. However, some suggest that it hasn't been a concern to a greater level until very recently as businesses become more competitive and the need to perform exceptionally well becomes a necessity. Therefore, recipe for success includes devising a strategic approach to having highly committed employees (Hansen et al., 2002). This implies that managers should implement motivations that best fit the diverse population of employees to reap benefits for the coming years (Hair et al. 2010).

One of the biggest challenges in the field of sales force is motivation and the most commonly raised question about these employees is concerning their motivational techniques to keep working in this field. The possible answers include the salary, bonus, and suitable work environment, good relationship with manager, good work ethics and so forth. The next aim should be to determine if these factors affect the performance of the sales force directly or if these factors give the motivation which then affects the performance of the sales force. At this point, there isn't any evidence to support the answers to these questions in the pharmaceutical industries operating in Addis Ababa. Thus, analyzing the impact of motivational factors on the performance of pharmaceutical sales force in Addis Ababa is essential.

1.3. Objective of the study

1.3.1. General objective

The main objective of the study is to analyze the impact of motivational factors on performance of pharmaceuticals sales force in three selected pharmaceutical companies located in Addis Ababa

1.3.2. Specific objective

- To analyze financial and non-financial motivational factors affecting the sales force performance in pharmaceutical industry in Addis Ababa.
- To examine which of the indicated factors have a significant effect on performance of sales force in Addis Ababa pharmaceutical firms.

1.4. Research question

- What are the motivational factors that affect the sales force performance in pharmaceutical industry in Addis Ababa?
- What is the response of the sales force towards the overall motivational techniques of the pharmaceutical firms in Addis Ababa?

1.5. Scope of the Study

The studies focus on Effect of motivation on sales force performance in three selected pharmaceutical import companies namely Medtech Ethiopia plc, ZAF pharmaceuticals and Beker. In this study, the researcher collected the required information from the sales force of the three pharmaceutical importing companies by distributing 114 questionnaires.

1.6. Limitations of the Study

The study was limited to selected financial and non-financial motivational factors and selected variables. This means other financial and non-financial motivational factors, as well as other demographical variables were thus be excluded. The sample consisted of sales representatives from three pharmaceutical companies in Addis Ababa, thus excluding representatives from the rest of the AA pharmaceutical industry beside different Pharmaceutical Import Companies in the country experience different challenges in motivating employees in their organization.

Therefore, the results cannot be generalized to the entire AA pharmaceutical industries. Future studies could attempt to draw a probability sample from all pharmaceutical companies in Addis Ababa. Despite the limitations, the findings of this study could provide guidance to sales managers of pharmaceutical companies and also to sales managers in other industries.

1.7. Significance of the Study

The basic task of a manager is to create and maintain an environment in which sales forces induce their personal satisfaction and allow them to contribute effectively towards the desired goal. The key action is to get sales force encouraged and motivated so that they increase their effort to enhance higher productivity that results in higher yield. There are usually discussions about how to motivate sales force but the challenge remains implementing them. The results from this research have the potential to motivate companies to increase their effort to reach their company's objectives and goals. Therefore, this research is focused on getting across to pharmaceutical companies the most important actions that should be employed to increase performance of sales force. After careful examination of the nature of financial and non-financial motivation factors, this study recommends the best way to improve sales force performance in pharmaceutical companies that best appeals to sales force in the current time.

The study might be relevant to other potential researchers that were presented with factual information on the relevance of sales force performance. Finally, it can also serve as reference document for further studies on motivation and sales force performance.

1.8. Organization of the Study

The study is presented in five chapters. The first chapter which is the introduction covers the background of the study, problem statement, objectives of the study, research questions, significance of the study, as well as the scope and limitations of the study. This is followed by chapter two which reviewed extensive related empirical literature on the subject matter. Among the various topics to be covered include concepts of motivation, importance of motivating sales force, type of motivation, motivational techniques, sales force performance measurement, effect of motivation on sales force performance, and conceptual framework of the study. Chapter three comprises of the methodology of the research which includes the research design, the research population, sample and sampling technique, the sources of data and data collection instruments, methods of data collection and analysis. Chapter four is

dedicated to data presentation, analysis, and interpretation of the study. Finally, chapter five deals with a summary of major finding, conclusions of the study, and recommendations for policy intervention and for future study.

CHAPTER TWO: REVIEW OF RELATED LITERATURE

2.1. Definition and Concept of motivation

Motivation is the drive and determination to fulfill a certain desire or objective. The word motivation is originated from a Latin word “motivation” which is also derived from another Latin word “motus” which translates to “moved.” This indicates that motivation implies investing energy to produce certain results (Dubrin, 1990). The implementation of motivation can probably be introduced in social sciences and more likely in psychology. However, it is difficult to say when the concept of motivation as part of the psychological process emerged. In the 1880’s, the concept has made its way in the English and American literature. Motivation is recognized as a main psychological concept in 1930s (Obikeze, 2012). In recent times, this concept is an integral part of business environments and is implemented everywhere in organizations and behavioral therapy.

Motivation can be an outside influence or an internal drive that inspires a person to push oneself to accomplish a certain task. Motivation provides a person with inspiration to begin and uphold an attitude that is filled with determination. For a sales force, motivation keeps them to continually accomplish the sales target set for them by the company (Hair, 2010). Motivation is also including the interactions between people that result in inspiring one another, providing guidance, high level performance and determination to keep up a positive attitude to accomplish the company’s target goal (Nohria, 2008).

Motivation can also be defined as the implementation of a material or a non-material reward by the manager to help improve the performance of the employees (Okoye, 2006). Motivation is described as a derive that arise from within an individual based on personal desire and leads to the development of the person’s behavior. This is what pushes a person to devote time and energy on a given task while others don’t (Wotruba, 1981). Motivational reward should not always be money and it can be in the form of experience. In addition, motivation is a choice made by an individual to start working on and commit to spending one’s resources for a certain time until the desired goal is achieved (Obikeze, 2012). Motivation is a psychological derive that initiate an employee and make them cooperative to perform a task and be responsible for meeting the company’s desired target. Managers can use motivational rewards to initiate employees to carry out their assignments more efficiently. Motivation is a

behavioral entity that is found within an individual that if unraveled allows the person to perform at best.

Motivation is an attitude that is initiated as a result of wanting to perform a certain task and is focused on reaching the set goal. More precisely, motivation is the willingness of a sales person to input a certain amount of energy in each aspect of the task to be undertaken (Still et al, 1988). A successful implementation of a motivational program by a company is important to the success of the company (Coughlan et al, 1992). Managers are attentive to the implementation of motivational applications to the sales force (Anca, 2013).

Motivation makes an individual committed and strong to take on challenges and overcome obstacles in the working environment. In the face of difficult situations, a motivated person is willing to keep going forward in the hope of coming out successful at the end. Motivation is a combination of desire, driving force and a target to be reached (Mihaela, 2013). The company's management should take into account the challenging task of finding the best fitting way to implement motivation in a sales environment that is likely to be variable. Adequate motivation will manifest in employees as they will dedicate themselves more in achieving the company's set target. An employee that is receiving a satisfactory pay would feel appreciated for the work they put in and develop a sense of reliability and a feeling of being a part of the team. This fosters the creation of willingness to put all effort in and opens the doors for novel ideas to generate and proficiencies to develop (Okolo et.al, 2015).

2.2. Importance of motivating sales force

The success of a business relies heavily on the effectiveness of the sales force in the market. This implies that the company's manager has to pay great attention to the sales force performance as well as the market environment (Akpan, 2003). The sales force will set out to attract potential buyers and the rejection rate can be overwhelming. The sales person should maintain a positive attitude and not focus very much on their daily experience that has caused frustration. The sales force has to also communicate with different pharmaceutical personnel in the marketing, advertisement, and customer care etc. This allows the sales force to see if the turnover is higher than the other work area (Okolo, et al. 2015).

In any type of business, selling a product or service involves finding a potential buyer, determining if the service is in their need, making a claim as to why one's product or service is the best choice than other competitors, completing sales transaction with agreement to term and condition, and providing customer care for concerns after the sale. Sales representatives perform all of these tasks. The followings are the duty and responsibility undertaken by sales force: -

1. Prospecting: This is searching for a potential customer.

2. Communicating: Any information obtained from customers concerning the company's product is expected to be reported back to the manager. This create a means of communication between the company's management and the customers.

3. Selling: This is the act of providing the company's product using different techniques that involve interacting with customers, providing answers to questions, and providing the product that best fits the customers' request.

4. Gathering information: This process involves studying the market environment, skillfully analyze and fill out reports.

5. Allocation for resources and rendering of services: The performance of any organization and its continuity depends on their key assets, employees, as well as the capabilities of the managers to be able to create a motivating environment for their people. On the other hand, it is a challenge for the managers to keep their people and sales force motivated and satisfied. That why every manager has to be aware about the needs and requirements their sales force and what they are looking for (Okolo, et al., 2015).

A poorly motivated sales force will be costly to the organization in terms of lower productivity and performance, excessive staff turnover, increased expenses, higher use of the sales manager's time and a negative effect on the morale of colleagues. In keeping one's sales forces, motivation is thus a key factor. Motivation is at the heart of how innovative and productive employees are, and management has to get it right to enable employees of the organization to perform effectively. This is tricky, as not everyone is motivated by the same rewards, and sales managers need to work towards adapting the motivational environment to

the individual (Wiese et al., 2013). Motivation allows to obtain the following benefits by providing initiative to the sales force to and allowing them to continue to perform well:

1. ***Reduce role conflicts of tasks:*** - if the sales person is a customer to other company or groups which would create confusion for being a supporter for the company in one hand and for the customer on the other. Maintain a sustained eagerness in performing their task. There are repetitive and similar work procedures that are taken on a daily basis which some might feel disinterested in. It becomes easy for many people to quickly lose interest once they have gotten used to the procedures. Therefore, motivation is essential to keep the desire to work alive. The managerial role is to keep the relationship between employees, maintain delivery of information to the manger from customers and execution of the task by the sales force. Implementations of these tasks successfully will bring the company to high productivity.
2. ***Maintain the sense of belongingness to a team:*** - A sales person that works individually might be faced with a challenge of visualizing being part of a team with the rest of the company employees. Therefore, motivation can be used to develop a sense of being part of a team to increase cooperation among employees (Still, et al 1988).
3. ***Provides role models:*** - providing role model are exemplary to help visualize themselves as successful and get inspired to obtain better outcomes. These inspirational ideas work at a conscious and subconscious level by providing positive thought that magnify the effect of the inspirational input. People would be able to visualize their success and work towards achieving it.
4. ***Provides encouragement:*** - providing encouragement to the sales force to utilize the resources at their disposal help them maximize their efforts to yield higher outcome. Managers should use a personable approach to get across their ideas to the team to clarify their duties and responsibilities as well as the company's requirement on the team for their contribution (Chapman, 2010). It is important for the manger to provide some level of flexibility to the sales force and observe their approach and creativity in terms of accomplishing their task rather than setting rigid rules and demand that they strictly follow those rules. This can potential cause the employees to lose interest. To allow employees to work on their weak area for improvement, they should be allowed

to learn a more productive approach which will motivate them and make them more productive.

2.3. Types of Motivation

Motivation types are grouped into two broad categories as: intrinsic motivation and extrinsic motivation.

a) ***Intrinsic motivation:*** Intrinsic motivation includes a driving force that comes from within an individual. This develops from a satisfaction that arises by being able to perform the task. There might be some overlap with the presence of an external motivational factor that the person is investing to accomplish. In general, intrinsic motivation is considered as an internal force that keeps a person to perform at their highest without the presence of an external reward. This is simply enjoyment driven that allows the person to learn more, implement creative ideas and realize their potential. The employees enjoy the non-financial reward that comes from taking responsibilities, achievements and self-governance in their jobs.

b) ***Extrinsic motivation:*** Extrinsic motivation includes a driving force that comes from outside of an individual. Extrinsic motivation refers to our inclination to complete a task to receive a reward that is well recognized. The reward can be in the form of material (like money) or non-material (like praise). Different factors can work as motivational factors including social, security, physiological including secure jobs, good salary, suitable work environment, and/or interrelation with team members. This indicates that motivational rewards can be either financial or non-financial (Okolo et al., 2015; Nebo et al., 2015).

2.4. Motivational Techniques

Motivation is so complex and individualized that there can be no single best technique used in motivating actions that might be taken by management is many and varied. Essentially, they are broadly classified as financial and non-financial motivational techniques.

2.4.1. Financial

Some of the most common financial reward plans include commissions, increase rate of salary and incentives. Many organizations usually provide benefit package whereas other organizations may choose the sales contest idea. The ultimate objective of compensation and reward is to keep sale personnel motivated and to achieve that they should be well paid to

compensate for their efforts Bagozzi (1980). The most common way to compensate sales personnel are straight salary, straight commission, combination plan, and fringe benefit

a) *Straight salary:* In straight salary, the sales person receives a fixed amount of salary with additional amount to cover job related costs. Additional alternative compensation can be received through discretionary bonuses or sales contest. A straight salary allows the company to assign tasks to the sales force without much protest and it can allow the sales force to develop good moral of obligation and less employee turnover. This salary option allows the company to make higher profit without much expense during period of boom (Obikeze et al., 2012).

This option is chosen when the management is looking to

- Motivate the sale force to reach the company's objectives besides short-run volume.
- When it is difficult to measure the impact of individual sales person on the sale at a practical time period.
- When missionary selling is being carried out by the sales personnel as can be observed in pharmaceutical companies.
- When a complex sales process is carried out involving a team or several levels of selling techniques

b) *Straight commission:* In straight commission, the sales person receives a fixed rate of their sales for profit. In addition to this compensation, there is a possibility that they may receive refund for expenses that are spent while performing the sales job. This translates to having more expenses when there is more sales volume and no expense when there is no sale. For commission payment, a certain percent of the sales unit carried out by the individual is considered. Some companies may use the profitability of the sale to determine the commissions so that the sales force will put more effort to sale more on a more profitable item or customer (Obikeze et al., 2012).

The advantage of having straight commission includes:

- It is easy to calculate and make the commission available for sales personnel.

- The compensation amount differs based on the sales volume.

The disadvantages of having straight commission include:

- The manager has limited control in terms of assigning tasks over the sales force.
- It might be challenging to engage the sales person who are used to receiving financial rewards based on their sales performance to try to divert them to account managed tasks that are not directly attached to short term sales. It is possible that these sales personnel would invest more time charging their existing customers more than look for new customers. In additions, more time is invested in the sales process that they might dedicate little to no time in providing after sales customer care.
- These sales personnel have limited motivation to participate in market analysis or administrative task that takes time away from their selling activities.
- The compensation for the sales people cannot be determined as it depends on the sales volume.

c) *The Combination Plans:* This plan combines a basic salary with commissions and/or bonus. The commission is based on the sales volume similar to straight commission. A bonus is given by managerial decision for a sales person that has surpassed the expectations and impressed with their performance. The minimum requirement to earn a bonus for a sales person is to attain a quota. Therefore, the sales person receives a salary that is fixed in addition to a commission in which case the rate is dependent on the sales volume and if the manager is impressed with the job performance they might get additional bonus (Obikeze et al., 2012).

d) *Fringe benefit:* Fringe benefits are financial benefits but are concerned with non-pay benefits or benefits in kind. These non-pay benefits are usually known as employee security benefits. Fringe benefits focus on maintaining the quality of life for sales force and providing a level of protection and financial security for workers and for their family members, some common examples are; annual leave, educational and house allowances, health protection benefits, retirement benefits or pension plans, medical insurance, education reimbursement and time off (Helen, 2013).

2.4.2. Non-financial

Depending on the nature of the task, the use of non-financial motivators can produce positive results. Non-financial motivators include providing a variety of tasks and challenges, giving feedback and also allow the development of self-reliance on the tasks they perform. Developing an interaction with the sales force to establish trust and support can improve the sales performance.

2.4.2.1. Growth/ career advancement

Growth and career advancement refers to an intrinsic factor that pertains to an individual's achievement as an employee. Once the sales person develops a clear plan of what to accomplish, they are closer to achieving it. The sales force should still be flexible to receive and make changes based on constructive feedbacks. A career development shows the employees willingness for growth which is beneficial to both the employee and the company. It provides the employee with the chance to advance their career and it provides the company with a more skilled employee.

a) Promotion: Koch et al. (2012) specified that promotions are desirable for most employees, only because they work harder to compensate for their “incompetence.” As a result, promotion at regular interval of time has an optimistic approach behind and they are generally given to satisfy the psychological requirements of employees in the organization.

b) Recognition: It is a useful positive tools where usually people get recognized by their work and job done and based on that they receive recognition (Chandra, et al., 2013). When employees get recognized and appreciated, they do their best to prove the skill, talents and abilities they have. Furthermore, recognizing employees is also considered a way of communication that strengths and rewards the outcomes people create for your business. For that, leaders should develop recognition system which is powerful for both employees and organization (Hsiu-Fen, 2007).

c) Sales Force Training: Skills training is a great means of enriching the company. Providing training sale personnel is a very essential aspect of sales management that contributes greatly to the growth of a company (Schwartz, 2006). Proper training of the sales force makes them effective in their tasks. The training allows the sales person to learn what customers request for, what motivates customers to buy and their purchasing habits. In addition, this training provides them with the skills that help them to identify profitable customers and provides

them with the opportunity of getting enough exposure to producing a good sales report. Receiving these training help shape the sales force attitude and sharpen their skills (Ovidiu, 2013). Continuously coaching and providing constructive feedback with the learning experience they develop throughout their job will allow all sales personnel to achieve high performance that the company observes with profits. Therefore, training is the plan made by a company in an attempt to assist employees develop more knowledge and shape their attitude towards contributing to the success of the company (Okeke, 2014).

2.4.2.2. Participation in Decision making

Allowing employees to participate in the target setting process can provide a motivation for employees. This type of interaction allows the sales person gain knowledge of about the effort that goes into making the enterprise move forward and the product make it to market. This is also an acknowledgement to the sales person that they are an important part of the team and it creates a sense of responsibility, membership, and also a sense of accomplishment. Allowing the sales person to provide their input in this process also allows the manager to see how the sales person is thinking, and shows the manager how much the sales person feel responsible about their job. Scholars have suggested that enabling sales force to participate in the decision making process allows a more efficient plan as there is more input ideas and also makes the sales force to be more committed to their task (Owolabi et al. 2011). Employees are more likely to do their best and develop satisfaction in their jobs when flexibility, encouragement, and the opportunity to contribute is provided in their jobs (Mahabub2014).

a) Achievement: Achievement is a sense of accomplishment that is brought by putting efforts, being courageous and having the ability to get something done. Achievement is driven by one's behavior to accept challenges in order to grow personally and show improvement in work place. Achievement on its own provides a motivation to do even better and helps develop a sense of control over a given task (Satyawadi et al., 2012). An employee who succeeded in accomplishing a task is more motivated to take on more challenges and this provides the person to perform high and receive great results. Achievements and the work progress are mostly reported to higher officials in an organization and the officials are expected to provide feedback to the sales manager (Chandra, et al. 2013).

b) Responsibility: This is a fundamental factor that represents the right a manager has over an employee to assign a task. It also allows employees to exercise their abilities to own their tasks (Samira, 2012). It works as a motivational factor as employees are ready to take on their new task and responsibilities. The sense of responsibility allows employees to look forward to positive outcomes and recognition for their accomplishments (David, et al., 2004).

2.4.2.3. Working environment

This refers to the surrounding that the employee works in and is therefore considered extrinsic. It implies to the physical environment that employees interact with. If working environment is relaxing and inviting, it makes it easier to get work done and achieve desired results. Having a good atmosphere, good staff members are essential to keep employees motivated (Samira, 2012).

a) Working conditions: Having a good working environment can provide employees with a sense of satisfaction and increases commitment to the organization they work for. Good working condition can enhance employees' performance and motivate them to perform well at their jobs. According to Cheng et al. (2013), there is an association between the perceptions of the working condition of employees with their health condition. It is important that the working environment is defined by recognizing elements of the physical environment. If the working environment is not suitable for employees, it will cause them to have reduced performance given that the task they are performing is physically and mentally taxing (Chandra, et al., 2013).

b) Interpersonal/team relation: It is said that helping others succeed also brings success the quickest to oneself. It is important to understand that team work and developing relationships is essential for the growth of a company. Interpersonal relations refer to the environment in which people are treated and the measures that determines the proper conduct in the company (Navjot, et al., 2014).

c) Leadership style (Management subordinate relationship): Management is an essential part to develop a motivational program for employees and receiving high performance and desired result from employees. Therefore, the management should take a leader role to the employees to provide motivation. Leadership is providing guidance to people so that they

willingly participate in accomplishing the desired goal. Providing leadership is important to manage the sales force and create an environment where the sales force operates better. If a favorable environment is established by the manager, it makes it easier to influence employees to perform well (Yongsun et al., 2002; Koontz, 1980).

d) Management communication style: Communication is an essential part of motivation. It has a direct motivational impact on employees given that it is performed using the appropriate form. For example, having a one-to-one talk is more powerful than communicating through electronic messages (Helen et al., 2002). Employees who receive information directly from their employers as soon as a certain changes implemented are important. Direct communication allows a good relationship to build between employer and employee and helps provide a motivation to employees. Communication allows the management and the employee to take their decisions to be effectively implemented (Helen, et al., 2002).

e) Job security: Job security is an important factor for most employees and it affects their lives and influences their job performance. It is an important factor that allows employees to feel secure and become part of an organization. Although the sales manager cannot induce this sense of security, the existence of job security motivates employees to perform better and the company benefits from their performance. Employees develop a confidence by receiving job security and that they work towards fulfilling the company's objectives (Zhang et al., 2004).

2.5. Sales Force Performance Measurement

Job Performance is an important concept at any job. Job performance is the attitude and effort put towards achieving the company's targets and goals (Motowidlo et al., 1999). The company's business success relies on the performance of the employees. In additions, good performance can develop a means of satisfaction for the employee as well (Muchhal, 2014; Thushel, 2015). Performance can be measured using different methods and managers should use the appropriate measure to determine the rate of compensation for employees. The two types of performance measure used in sales business are objective and subjective measures (Rajah et al., 1997).

a) Objective measures: Objective measures have high measurability and are oriented towards the short-term as their impact can be fully realized during the incentive period. For this reason,

these types of measures are more appropriate for target-setting purposes (Franco-Santos, 2014). The personal selling effort can be differentiated into input and output characteristics. Input measures are behavior items such as number of clients called on per week and number of hours worked. Output measures are performance data representing the more tangible outcomes of effort, and this include sales volume, number of orders closed. Sole reliance on output related evaluation is inequitable since acquisition of revenue may be influenced by environmental and situational factors over which the salesperson has little control. For example, sales territories have different market potential, and companies vary their advertising, promotions and coverage across districts, products, customers and time. Inputs measures are associated with intermediate steps rather than end results or the sales process. This includes number of sales calls, number of days worked, number of reports filled in order to distinguish and monitor the quantity and quality of work (Rajah, 1997).

b) Subjective measures: Subjective measures are oriented towards the longer term, as their effects may not be fully realized until several years have passed. These characteristics make them less appropriate for target-setting purposes as specific and accurate targets are difficult to estimate (Franco-Santos, 2014). Effective personal selling requires skills in identifying customer needs, making sales presentations, relationship management, selling skills conveying product information, planning work schedules, report writing, understanding the competition and decision making. The possession of personal attributes like appearance, voice and initiative are also important.

2.6. Effects of Motivation on Sales Force Performance

The association between employees' motivation and job performance has been the subject of study for many years. Any direct association has not been concluded in earlier studies (Vroom, 1964). It seems likely that the two factors have an association to some degree. In the review of 20 studied from current times have concluded that there is a relation between employees' motivation and job performance (Vroom, 1964). This study shows that employees' satisfaction with their job and their performance level shows a relationship that has been reported in the previous studies. A circle relationship forms when employee satisfaction exists along with motivation and job performance (Vroom, et al., 1976)

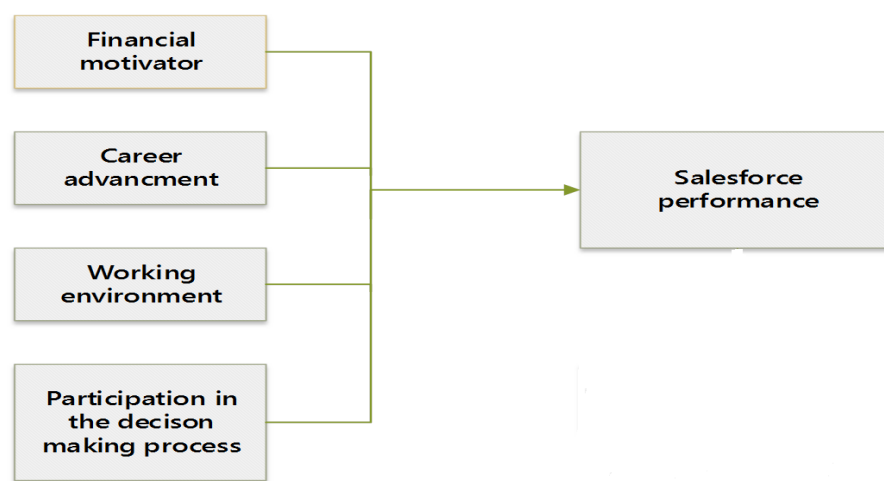
Motivation of the sales force links the two independent processes of individual achievement and company's target goal. Individual motivation is geared towards achieving personal satisfaction which leads them to put their effort to invest in meeting the company's objectives. This creates a direct correlation between the goal of the company and the personal goal to achieve satisfaction. It makes it easier for the manager to make sure the given tasks are completed when working with employees that have self-motivation. It is important for the manager to determine the motivational factor for their employee and create a program that keeps them directed to high performance.

Having a continuous incentive schedule and implementing different salary plans are effective measures that help bring the sales force performance higher and maintain it at a desired level (Nord, et al., 1969). Using indicators of sales performance allows the manager to view the effectiveness of motivational methods. Salary, commission, or bonus is the financial incentives that can be applied for motivation. Financial motivations have been shown to be effective motivators; however, it is only one aspect of motivation. Non-financial motivations that include setting a good working environment and allowing participation in decision making will also broaden the dimension of utilizing different methods to better motivate employees.

2.7. Conceptual Frame work

Based on the Literature the conceptual frame work of the study is shown in Figure 1 below.

Figure 1: Shows the conceptual framework of the study



Source: (Vroom, 1964) and own review

CHAPTER THREE: RESEARCH METHODOLOGY

3.1. Introduction

As per Creswell (2003) there are three approaches that are used in conducting a given research. These are quantitative, qualitative and mixed research approach. Quantitative research approach focuses primarily on the construction of quantitative data, and quantitative data is a systematic record that consists of numbers constructed by researcher utilizing the process of measurement and imposing structure. The quantitative research approach employ measurement that can be quantifiable while qualitative cannot be measured (Bryman et al., 2007). In mixed research approach inquirers draw liberally from both qualitative and quantitative assumptions (Creswell, 2009).

3.2. Research Design

In this paper, the researcher used quantitative research approach which is the systematic empirical investigation of observable phenomena via statistical, mathematical or computational techniques. The objective of quantitative research is to develop and employ mathematical models and theories. The process of measurement is central to quantitative research because it provides the fundamental connection between empirical observation and mathematical expression of quantitative relationships. Quantitative data is any data that is in numerical form such as statistics, percentages, etc. The researcher analyzed the data with the help of statistics. The researcher is hoping the numbers would yield an unbiased result that can be generalized to some larger population.

Ebubechukwu (2002) observes that a research design gives details on the most suitable methods of investigation, the nature of research instruments, the sampling plan and type of data to be used. He further noted that a research design forms the framework of the entire research process. This is a master plan or model for the conduct of the investigation (Odo, 2004). This study employed survey design. Questionnaire was administered on the marketing and sales staff of three selected pharmaceutical import companies in Addis Ababa. The aim is to assess the effects of motivation on sales force performance in MEDTECH, BEKER and ZAF import companies and consequently recommend the way forward based on analytical results. This import companies are selected because they are big in size, having high number

of employees and sales force, they are well established having high reputation for importing pharmaceuticals and it is easy for researcher to access the data.

3.3. Population

Table 1 shows the populations (number of employees) for the study. This means that the total number of workers working at MEDTECH, BEKER and ZAF during the data collection for this research is 379.

Table 1: Target Population of the Study

s.n	Company	Number of employees
1	MEDTECH	209
2	BEKER	70
3	ZAF	100
	Total	379

3.4. Sampling Design

A sample of respondents was drawn from the employees of selected pharmaceutical import companies. The study adopted purposive sampling technique to select the sample, where 30% of the target population was taken to arrive at a sample size of 114 respondents. The study focuses on the sales force of the three selected pharmaceutical import companies. According to Kothari (2004), purposive sampling starts with a purpose in mind and the sample is thus selected to include people of interest and exclude those who do not suit the purpose. The technique allows a researcher to use cases that have the required information with respect to the objectives of the study (Kothari, 2004); in this case the motivational factors that influence the sales force performance.

3.5. Sampling Frame

Table 2: Sample Frame of the Study

s.n	companies	Total employees	Sample of employee (sale staff)	Percentage
1	MEDTECH	209	45	39
2	BEKER	70	36	32
3	ZAF	100	33	29
	Total	379	114	100

3.6. Sources and tools of data collection

Data for this study largely sought from primary sources. Primary data was collected for a specific research (Kotler, 1997) and so the primary data was collected using a questionnaire (See Appendix 1). Questionnaire is a device for obtaining answers to relevant research questions from a sample of respondents. The data generated was arranged, analyzed and tested accordingly.

Thus, a structured questionnaire was used for data collection for this study. The questionnaire was prepared based on the literature. To ensure reliability of the research instrument, the questionnaires were prepared in advance and pre-tested using a small number of respondents, 15 sales persons randomly selected from the selected pharmaceutical companies.

3.7. Operationalization of variables

a) Dependent Variable

Sales force performance: It is measurement to evaluate the level of sales force performance as indicated subjectively by the sampled sales force members. Because objective performance data typically do not exist at the level of individual sales force, we turned to subjective measures and developed a scale of performance indicators. Performance of sales force is measured subjectively following (Munshi et al., 2014). Different items were generated to capture customer service, sales enhancement ability, product knowledge, presentation, and team work components while measuring the sales force performance. Sales force performance was measured using a 5 point Likert scale (1 = strongly disagree, 2= disagree, 3= neutral, 4= agree, and 5 = strongly agree) to identify the overall level of respondents' performance.

b) Independent Variable: The following are the independent variables used in this study: financial, career advancement, working environment, and participation in decision making. All the independent variables were measured using a 5 point Likert scale (1 = strongly disagree, 2= disagree, 3= neutral,4= agree, and 5 = strongly agree) to identify the overall level of respondents' performance.

Table 3: Operational definition of independent and control variables

Variable	Definition and Measurement	Expected effect on sales force performance (+/-)
Financial	It refers to financial incentive given by the company such as bonus, incentive, car allowance etc. Measured using five point Likert scale.	+
Career advancement	It refers to getting promoted by an employer such as by giving training, evaluating performance and providing information. It is measured using five point Likert scale.	+
Working Environment	It is used to describe the surrounding condition in which employee operates. Such as manager support and effective communication system. It is Measured using five point Likert scale.	+
Participation in decision making	It is the extent to which employers allow or encourage employees to participate in organizational decision making. Such as involvement in setting sales quota and target. It is measured using five point Likert scale	+
Gender	A respondents' state of being male or female. It is measured using dummy variable 1= female, 0 =male	+/-
Work experience	Years a sales force has been working in the company. It is a continuous variable.	-

Source: Own literature review

3.8. Method of Data Analysis

For descriptive and comparative analytical purposes, the statistical techniques employed in this study include the tables, mean and percentile method in summarizing the generated data. The equation of regressions on this study was built around two sets of variables, namely dependent variable (sales force performance) and independent variables (financial, career advancement, working environment, participation in decision-making, gender, and work experience).

The relationship between the dependent variable, sales force performance and the independent variables is expressed as a linear combination of the independent variables plus an error term.

Following Greene (2003), the multiple linear regression models is specified as:

$$. Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + \varepsilon$$

Where: Y= sales force performance

β_0 - Constant term

X1= Gender of the respondent

X2= work experience in the organization

X3= Financial

X4= Employee career advancement

X5= Working environment

X6= Participation in decision making

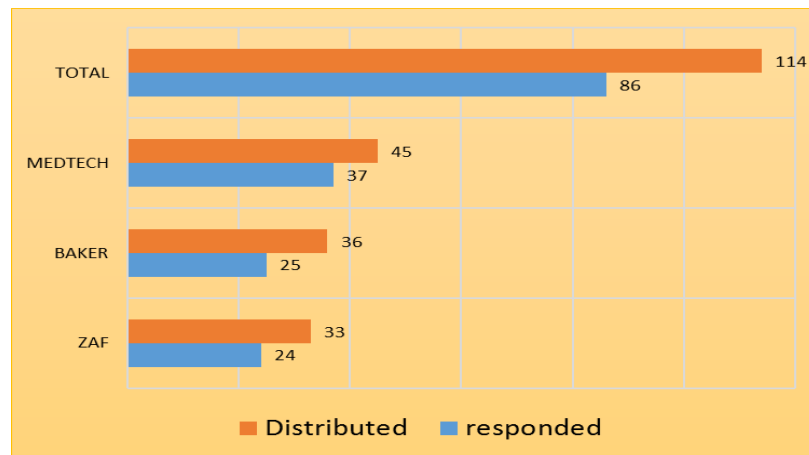
Where the β_s are coefficients of independent variables, X_s are column vectors for the independent variables in this case; gender, work experience, financial, employee career advancement, working environment, and participation in decision making, while ε is a vector of errors of prediction. The error was assumed to be normally distributed with an expected value of zero and a common variance.

CHAPTER FOUR: DATA PRESENTATION, ANALYSIS AND INTERPRETATION

4.1. Socio-economic Characteristics of Respondents

This chapter deals with discussions and results of the study. It is based on the information collected from survey. 114 questionnaires were distributed for employees working at MEDTECH, BEKER and ZAF. Of which 41 questionnaires were allocated for MEDTECH, 36 for BEKER and the remaining 33 questionnaires were distributed to ZAF employees. The proportion of questionnaires is revised by the following chart in Figure 2.

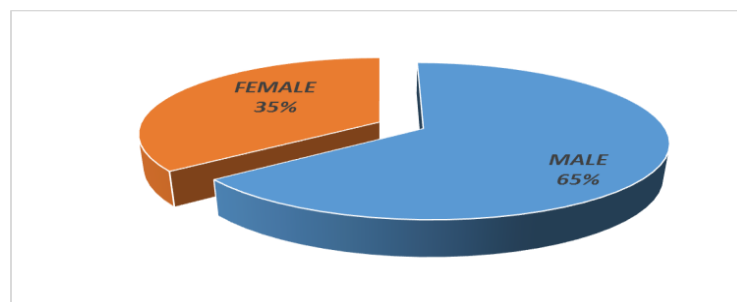
Figure 2: Distributed and Responded Questionnaire



Source: own survey 2016

The chart below shows the sex composition of the respondent where 66% of respondent were male and 34% were female. It means most of the sampled respondents were male this proportion would affect the overall performance.

Figure 3: Respondent Sex Composition



Source: Own Survey 2016

Table 4: Respondent Educational Level and Age

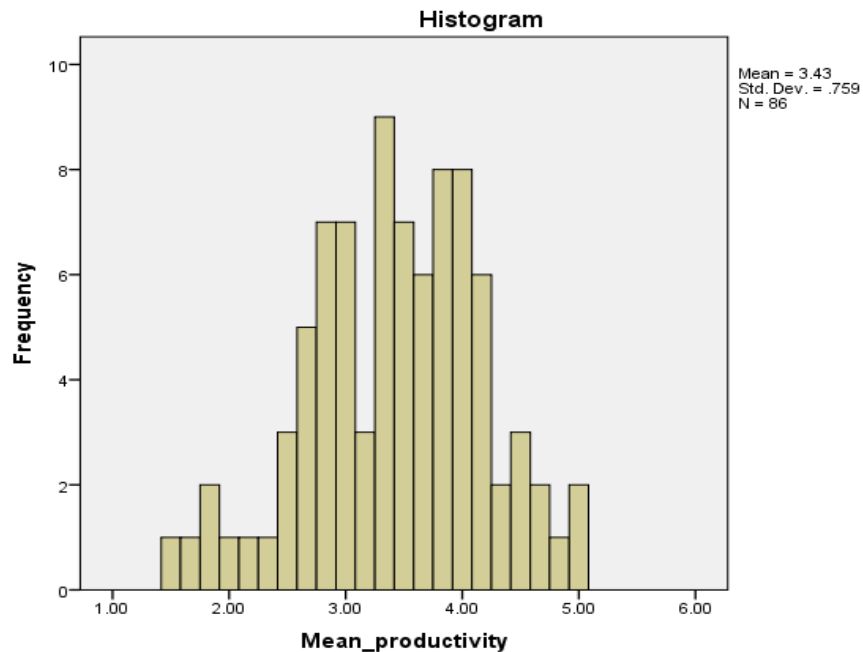
Characteristics		n (%)
Educational Level		
1	Diploma	6 (5.8)
2	Degree	62 (72.1)
3	Postgraduate	18 (20.9)
Total		86 (100)
Age in Range		
1	20-30	60 (70.6)
2	31-40	21 (23.5)
3	41-50	3 (3.5)
4	Above 50	2 (2.4)
Total		86 (100)

Source: own survey 2016

The above table shows the respondents educational level and age. Regarding educational level of respondent most of (70.6%) were first degree holders. In the case of age, most of the respondents were between the range of 20 and 30 years which indicated that most of respondents were assumed to be young.

4.2. Perception Level of Respondents on Motivators

4.2.1. Overall perception level of respondents on sales force performance



Source: Own survey data 2016

Figure 4: Sales force performance of selected pharmaceutical import companies

The figure shown above portrays the mean performance is 3.4 with standard deviation of 0.759. The mean general respondents' perception towards sale force performance is good which may indicate that majority of the sampled respondents agreed on sale force performance indicators, 3.4 is based on a scale ranging from 1 (strongly disagree) to 5 (strongly agree).

4.2.2. Respondents' perception level on sale force performance determining factors

Sampled respondents indicated their level of perception on each of the five sales force performance determining factors: financial, career advancement, working environment, participation in decision making and motivational technique. There is no a great deal of variation on the level of sale force respondents across the five factors. To this respect, the mean of sale force perception score was the highest for participation in decision making

(3.5), followed by career advancement (3.2). The mean of sale force perception score was the lower for financial and working environment (3.1) for each.

Table 5: Mean and standard deviation of independent variables

	Motivational Factors	N	Mean	Std. Deviation
1	Financial motivators	86	3.1	0.90
2	Career advancement	86	3.2	0.69
3	Working environment	86	3.1	0.71
4	Participation decision-making	86	3.5	0.74

Source: Own survey data 2016

4.3. Determinants of Sale Force Performance

The results of linear regression analysis are given in the following table (Table 6). The results revealed that work experience, career advancement and participation in decision making contributed significantly to the prediction of overall sale force performance. The model summary shows that the regression model can explain 36.8 % of the variance in the dependent variable.

Table 6: Results of Multiple Regression Analysis

Model	Parameter Coefficients (B)	Standard error	t-value	Significance level (P)
(Constant)	2.101	.472	4.456	.000
Financial motivators	.007	.107	.064	.949
Career advancement	.213	.107	1.990	.050
Working environment	.117	.153	.768	.445
Participation in decision-making process	.260	.132	1.971	.052
F statistics	(6, 81) = 7.283 0.00)			
R ² (R ² adj.)	0.368 (0.318)			

Source: Own survey data 2016

As shown in above Table 6, the coefficients of the regression for career advancement (0.213, $p < 0.05$), and participation in decision making (0.260, $p < 0.06$), are significant. This means non-financial motivators such as participation in decision making and career advancement are positively and significantly influence the level of sale force performance. The financial motivators and working environment were not found significant in this study.

As has been reported in the study of the pharmaceutical firms in Nigeria by Amue Gonewa John (2012), it was observed that financial incentives in terms of salary, bonus and commission are critical for superior sales force performance. This is not confirmed in this study. However, as the market for pharmaceutical products are highly competitive, the only focus on financial payoff may not be sufficient and other factors need to be given crucial importance (Bakosh, 2007). Because payment of salary plus commission are also firm specific.

From the regression analysis, it is noticed that one of the influential factors for sale force performance is involving sales people in the decision making process. This finding is in line with the study by Andaleeb (2007) that salespeople should be involved in the decision making process such as in setting sales quota, annual target setting, delegation to undertake certain tasks etc. and this will serve as an effective motivating strategy. The result shows that the interplay between sales people involvement in setting quota and performance is quite demanding. The establishment of quota is ultimately the sales managers' responsibility and will be constrained when salespeople involves setting quota. The study finds that partial support for sales people involvement in setting quota and performance.

Furthermore, in the study of employee involvement in the decision making and organizational performance in Nigeria by Kuye and Sulaimon (2011) it was found that a significant relationship between employee involvement in decision making and firms' performance. The results also reveal that organizations with high employee involvement in decision making outperform organization with low employee involvement in decision making. Thus, this study among the three selected Pharmaceuticals companies in Ethiopia is, to this respect, in line with the study by Kuye and Sulaimon (2011).

The result additionally exhibited that the other factor affecting sales force performance is growth/ career development which includes long and short term training, provision of up to date information that enhance skill of employees etc. Lack of support for significance for financial motivator in the regression analysis might be because most employees have preference for compensation by the pharmaceutical companies in terms of investing on career development. In the study by Navjot, Navneet and Nagaich (2014) suggest that growth/ career development is an intrinsic factor that relates to the individual growth and career development of the employee. For this an employee must have clear goals and objectives so that they can easily set and achieve them. Employees must keep them open to receive, as well as energetically seeking, relevant feedback. A career development is like a win process for employers and employees. This plan focuses on the employees needs for growth and development and the support of the organization which can provide so that the employee has the opportunity to grow his or her career.

Working environment such as support from immediate manager, facility and resources arrangement, free flow of information, enough annual leave time, autonomous in work, clearly defined role, and effective communication in the company were not found to be most important factor that affect the sales force performance in this study. However, this result was not in line with the Sekhar et al (2013). Their study stated that good work environment and good work conditions can increase employee job satisfaction and an employee organizational commitment. So the employees will try to give their best which can increase the employee work performance. Now the importance and the need of working condition is so describing or defining the physical environment by identifying those elements or dimensions of the physical environment. Employees having poor working conditions will only provoke negative performance, since their jobs are mentally and physically demanding, they need good working conditions. Furthermore, Kahya (2007) asserted that job performance is very much influenced by work environment and motivation of workers within regard to sales force. According to him, Pharmaceutical industry needs to consider improving its environmental factors and ways to improve work motivation to boost employee performance.

4.4. Level of Sales force response towards the overall motivational techniques

Table 7: the sales force response level to overall motivational techniques

No	Average response level (1 to 5 scale)	Respondent number (percentage)
1	Less than or equal to 2.89	23 (26.7)
2	Greater than 2.89 but less than or equal to 3.0	10 (11.7)
3	Greater than 3.0 but less or equal to 3.5	19 (22.1)
4	Greater than 3.5 but less or equal to 3.9	27 (31.4)
5	Greater than 3.9 but less or equal to 5.0	7 (8.1)

Table 7 Shows that about 38 percent (33) of the respondents are not satisfied with the existing motivational techniques employed by the sampled pharmaceutical companies. The sampled sales force who indicated a level of satisfaction with the existing motivation techniques are about 22 percent (19). Those who indicated a strong satisfaction with the existing motivation techniques are about 39 percent (34). In general, a higher proportion of the sampled sales force's response with respect to the overall motivation techniques of pharmaceutical companies falls within the range of satisfaction (which is about 61 percent).

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1. Introduction

This chapter concentrates on the analysis and interpretation given in chapter four. A lot of findings emerged from the study following the presentation of data. Therefore, summary of findings, conclusion and recommendations will be based on the objectives of this study as well as the recommendations of the researcher.

5.2. Summary of the major finding

Based on the analyses conducted in chapter four of this study, the following findings were made.

From the regression analysis (0.137, $p < 0.05$), it is revealed that career advancement ($b=0.213$, $p < 0.05$); which includes long and short term trainings, provision of up-to-date information to sales force to improve skills, and recognition for hard work positively and significantly influences sales force performance of pharmaceutical companies.

It was also revealed in the study as sales force participation in the decision making process like setting sale quota and annual target, selecting work territories, flexible working hour, addressing challenges by one's self, delegation to undertake certain tasks were found to affect salesforce performance positively and significantly as it is shown by regression output and participation in decision making ($b=0.260$, $p < 0.06$), This may mean that non-financial motivators such as participation in decision making and career advancement are positively and significantly influencing the level of sale force performance for pharmaceutical companies. The financial motivators and working environment were not found significant in this study. In the given context of pharmaceutical companies in Addis Ababa, sales force personnel might give more weight if the companies invest in their career development by channeling any financial incentives.

With respect to the pharmaceutical companies' motivational techniques, the overall response of the sampled sales force's response is satisfactory (which is about 61 percent).

This may give the pharmaceutical companies the leverage to build on the existing positive aspects of their motivational techniques employed.

5.3. Conclusion

Motivation of a sales force is a widely discussed topic among researchers since ages. The pressure is increased with the development since then. But one fact is still same which can induce the sales force to achieve the toughest goal. Motivation is one such trigger that works differently with each new day. Motivation is the individual phenomenon, there is not set formula to apply and get the employee motivated. There can be no one factor that can motivate an individual. The human needs changes with time, one is completed, another arouse.

As promised in the research objective section, the main objective was to analyze the impact of motivation on performance of pharmaceuticals sales force. And it was found that the mean sale force performance is 3.4 with standard deviation of 0.0772. Based on this, one can say that sales force is much agreed with the performance they provide to their organization. The possible reason probably is because some of the motivating strategies offered by their organization met their performance.

Regarding determinants of sale force performance, the regression result showed that non-financial motivators such as participation in decision making process and career advancement were found to be the main factors influencing the level of sale force performance. This means that career advancement and participation in decision making positively and significantly influence the level of sale force performance. The financial motivators and career advancement were positively related to sales force performance but not found significant in this study.

Generally speaking, it is vital for any pharmaceutical company to develop and execute various motivational strategies to augment sales force performance and thereby attain and build up sustainable competitive advantage in the given competitive industry.

5.4. Recommendations for Policy Intervention

The pharmaceutical firms provided a platform for this study; therefore, sales force motivation strategies (financial motivator, working environment, participation in decision making, career advancement,) are particularly important. This study assesses sales force perspective and in line to variables, financial motivator, working environment, participation in decision making, career advancement, based on the findings, some recommendations were made which the researcher believes motivation act as a live wire that gives light.

- Sales promotion and team building activities are energetic. The culture of regular promotion and team building activities are energetic approach to work and should be practiced in pharmaceutical companies. If one stays in a company for a long time with regular promotion, sales force will be satisfied with an organization that will help boost the image of the company. By investing in direct ways of motivating such as by financing career development, companies should channel financial compensation, such as bonus and other packages as a motivational factor, to make a difference in the level of sales force motivation between them and other organizations. Even though the regression model does not show significant results, the model parameter is positive and hence, the issue of increasing pay from time to time can make workers in an organization perform their duties well. Since money is of paramount value to sales force and managers. Comfortable and satisfied employees will never think to act negatively.
- Care of the sales people by the management is one of the ways of achieving companies own desires and wants. Good managers in companies should help to manage change, discuss the changes with sales force, encourage participation and place adaptable people in key posts. They should always think about what really motivate and excite.
- One of the most important things in pharmaceutical companies is a communication device. Managers better use Quick transmission of information to all work groups also should make sure that they give feedback on their sales made and on every information in addition to improving job security and positive working relationships also have a marginal impact in an organization's

performance. The managers should know their team, objective should be clear to the team and incentive plan should be simple and generous. Furthermore, while motivating it should be well thought-out that the reward should be personal, it should be timely; proportional to the level of success and apposite to the work done. Ultimately the managers should know that how they can charge the battery of their sales force every day. It is very well said that- “A salesman is like the battery, with constantly discharging energy, unless he is recharged at frequent intervals”.

5.5. Recommendation for Future Research

In this research the interaction of power in the authority, hierarchy of sales employees, relationship with physicians & other customers and influence of geographical-areas were assumed to be constant & favorable, which rarely happen in the pharmaceutical industry. So these variables can be studied further regarding their stake in motivation and performance of pharmaceutical sales force. There may be a chance of effect of additional variables between sales force motivation and performance. So this can be studied further, which may explore a new horizon of knowledge in managing the sales force.

On the other hand, future researches can be done on how to get individual needs and requirements. Tools or interviews can be used to get the information required on individual needs. This would help in designing comprehensive and effective motivational strategies for the overall improvement of the sales force performances.

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7. APPENDICES

Appendix: Questionnaire

St.Mary's University

School of Graduate Studies MBA Program (Questionnaire)

**The Effect of Motivation on Sales Force Performance: The Case of
Selected Pharmaceutical Import Companies in Addis Ababa**

Survey questionnaire on sales force performance

Dear Respondent! I refer to the above subject matter and hereby confirm that I am MBA student of the above named institution, carrying out research for academic purposes. All responses given in this regard will be handled in strict confidence.

Your understanding and co-operation are being solicited for providing all necessary information needed to accomplish the objective of this study.

Section A: General Information

1. What is your Gender?

Male

Female

2. Age in years: _____

3. Indicate your Level of Education

High school

Certificate

Diploma

Degree

Post Graduate

4. How long have you worked in this organization? ----- years

5. Have you worked in another organization? a) Yes b) No__

6. If yes in no.5 for how many years have you worked in other organization?_____ years

Section B: Motivational Techniques in Pharmaceutical

7. What is your level of agreement with the following statements regarding Motivational Techniques Adopted by pharmaceutical industry? Circle Using a scale of 1 to 5 where 1 = strongly disagree, 2= disagree, 3= neutral,4= agree, and 5 = strongly agree

	variable	Strongly disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)
1	Financial					
1.1	My pay level as compared to similar position in the industry is competitive	1	2	3	4	5
1.2	My company gives me individual bonus every time I achieve my target	1	2	3	4	5
1.3	My company gives me holyday bonus	1	2	3	4	5
1.4	My company provides Phone recharge	1	2	3	4	5
1.5	My company gives me Health insurance	1	2	3	4	5
1.6	My company gives me freedom to use the company car for my personal use.	1	2	3	4	5
1.7	There is recreation and travel arrangement in my company	1	2	3	4	5

Source: (obikeze, 2012) and (Helen, 2013)

	variable	Strongly disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)
2	Career advancement					
2.1	My company offers to me short-term on job trainings	1	2	3	4	5
2.2	My company gives me a permission to further my education	1	2	3	4	5
2.3	My company covers tuition fee for my education	1	2	3	4	5
2.4	I am happy with the concern of my company on enhancing my future career	1	2	3	4	5
2.5	my company is measuring/evaluating my performance	1	2	3	4	5

2.6	My company gives me recognition for my hard work	1	2	3	4	5
2.7	My company provides me up to date information to improve my job skill	1	2	3	4	5

Source: (Chandra, 2013)

	variable	Strongly disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)
3	Working Environment					
3.1	My manager supports me in my work	1	2	3	4	5
3.2	The company marketing manager arrange resources and facility	1	2	3	4	5
3.3	There is a free flow of information in my team	1	2	3	4	5
3.4	My company gives me enough Leave period annually	1	2	3	4	5
3.5	I have autonomy in my work	1	2	3	4	5
3.6	I have a clearly defined role in my company	1	2	3	4	5
3.7	There is an effective communication system in my company	1	2	3	4	5

Source: (Navjot, et al 2014)

	variable	Strongly disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)
4	Participation in decision making					
4.1	I involve in setting sales quota	1	2	3	4	5
4.2	My company gives some autonomy in setting annual target	1	2	3	4	5
4.3	I have Freedom to plan and execute work independently	1	2	3	4	5
4.4	My company gives me choices in selection of working territories	1	2	3	4	5
4.5	I have Flexible working hours	1	2	3	4	5
4.6	My company enables me to address challenges by myself.	1	2	3	4	5

4.7	My supervisor delegates me to undertake certain tasks.	1	2	3	4	5
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Source: (David, 2004)

SECTION C: Sales force Responses to Motivational Techniques

1. What is your level of agreement with the following statements regarding Employee Responses to Motivational Techniques Circle Using a scale of 1 to 5 where 1 = strongly disagree, 2= disagree, 3= neutral,4= agree, and 5 = strongly agree

	Variable	Strongly disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly agree (5)
	Sales force response towards motivational techniques					
1	I feel secured in my company	1	2	3	4	5
2	I still perform well even if my salary is delayed	1	2	3	4	5
3	The reward I get from my boss leads me to healthy competition	1	2	3	4	5
4	I try to balance the need of demanding customer with the company need	1	2	3	4	5
5	I spend more time working than my normal working time	1	2	3	4	5

Source: (Munshi, 2014)

Section D: Effect Motivation on Employee Productivity in Pharmaceutical Industry

What is your level of agreement with the following statements regarding Effect of Motivation on Employee Productivity in pharmaceutical industry? Circle Using a scale of 1 to 5 where 1 = strongly disagree, 2= disagree, 3= neutral,4= agree, and 5 = strongly agree

		Strongly disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)
	Sales force performance					
1	There is good Handling of customer complaints/objections	1	2	3	4	5
2	We do all efforts retaining existing customers	1	2	3	4	5
3	Our follow ups in assisting customers to find products is very high	1	2	3	4	5
4	We have reached our sales targets successfully in the last three years	1	2	3	4	5
5	My company profitability has increased in the last years	1	2	3	4	5
6	We regularly exercise product demonstrations to enhance product knowledge of our customers	1	2	3	4	5

Thank you!!!